



March 4, 2002

STATE OF MICHIGAN
**Family
Independence
Agency**

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DOUGLAS E. HOWARD, Director

The Honorable Mike Goschka, Chair
Senate Appropriations Subcommittee on FIA
Michigan State Senate
State Capitol
Lansing, Michigan 48933

Dear Senator Goschka:

The following report on the children's clothing allowance is provided as required by Public Act 82 of 2001, Section 301(2), and describes the Family Independence Agency's plan for issuing the allowance in Fiscal Year 2002.

The clothing allowance is added to Family Independence Program recipients' electronic benefit transfer (EBT) account in the month of August. Making this money available to families a few weeks before school begins allows them to benefit from "back-to-school" promotions offered by many retailers during this time, when families are already preparing for the coming school year.

A special notice is mailed to each family in August informing them of the amount of money added to their account for clothing for their children. The notice also informs them that the FIA will help them identify stores in their area offering additional discounts on children's clothing if they show the notice at the store when they make their purchases.

At the state level, we continue to work with retail organizations to ask for their participation in encouraging their members to offer discounts to our mutual customers when they are using their clothing allowances. In addition, volunteer services coordinators in our local offices will negotiate discounts at the local level with clothing stores in their community. We have been gratified with the success of this effort in past years, and participating stores have shown enthusiasm for participating again. Each year, we are expanding our efforts to increase the buying power for our needy families through this method.



JOHN ENGLER, Governor

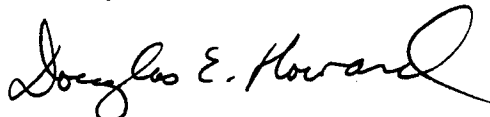
With the notice we include a letter explaining the purpose of this extra money, and how having new clothes, especially for the school-age child, can get a child off to a good start by helping the child feel good about himself and about school. We emphasize the importance of using this money for its intended purpose of purchasing clothing for the children.

As you know, benefits for the Family Independence Program (including the clothing allowance) are now issued electronically via the Michigan Bridge Card. This process eliminates warrant printing and mailing costs, reduces the risk of lost benefits from theft, and provides greater security of benefits in the event the Bridge Card is lost.

In regard to the clothing allowance specifically, including this extra benefit in the customer's FIP account also gives the family greater flexibility by not limiting the family's purchases to one store. If the family cannot find everything they need at one store, they are free to purchase what they wish and continue shopping at other stores with the remaining money. This also allows parents to exercise personal responsibility in choosing to spend the money wisely. The Family Independence Agency's mission is to help families become independent by teaching them to make the right decisions for their children.

I will be glad to answer any questions you may have about the clothing allowance and the agency's procedures for issuing it.

Sincerely,

A handwritten signature in black ink, reading "Douglas E. Howard". The signature is fluid and cursive, with the first name "Douglas" being more prominent and the last name "Howard" following in a similar style.

Douglas E. Howard

cc: Senator Joel Gougeon
Senator Raymond M. Murphy
Connie Cole, Senate Fiscal Agency
Karyn Burke, Senate Majority Policy Office
Jennifer Zambiasi, Senate Majority Policy Office
Monica Martinez, Senate Democratic Staff
Kelly Beeman, Republican Programs and Research
Paul Reinhart, State Budget Office
Mark Jasonowicz
Asha Shah
Bill Kordenbrock